



## Organization of California Consumer Cooperative Corporations

California Corporations Code sections 12310-12311 outline the minimum requirements as to the contents of the Articles of Incorporation for the formation of consumer cooperative corporations.

The Articles of Incorporation of a consumer cooperative corporation may provide for either memberships or shares. The choice between memberships and shares depends on the plan developed for financing the cooperative. The membership plan is the more basic one and the more common filing; it is therefore, the sample provided by the Secretary of State. The attached sample has been drafted to meet the minimum statutory requirements for a consumer cooperative corporation. The sample may be used as a guide in preparing documents to be filed with the Secretary of State. It is recommended that legal counsel be consulted for advice regarding the proposed corporation's specific needs, which may require the inclusion of special article provisions or require the filing of a different type of document. The Secretary of State does not provide a standardized form due to the many possible drafting variations.

### Where to File

Documents can be delivered:

- **by mail** to Secretary of State, Document Filing Support Unit, P.O. Box 944260, Sacramento, CA 94244-2600. To facilitate the processing of documents mailed to our Sacramento office, a self-addressed envelope and a letter referencing the corporate name, a return address and the name and telephone number of the person submitting the document also should be submitted.
- **in person** (drop off) between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday (excluding holidays). The office locations are as follows:

Sacramento Office  
1500 11th Street, 3rd Floor  
Sacramento, CA

Los Angeles Regional Office  
300 South Spring Street, Room 12513  
Los Angeles, CA

Note: The Los Angeles regional office is only able to process initial Articles of Incorporation delivered in person (drop off). Please refer to our website at [www.sos.ca.gov/business/regional.htm](http://www.sos.ca.gov/business/regional.htm) for detailed information regarding the submission of documents to the Los Angeles regional office.

Please refer to our website at [www.sos.ca.gov/business/be/processing-times.htm](http://www.sos.ca.gov/business/be/processing-times.htm) for current processing times at our Sacramento office.

### Fees

The fee for filing Articles of Incorporation for a consumer cooperative corporation providing for memberships is \$30.00 and the fee for filing Articles of Incorporation for a consumer cooperative corporation providing for shares is \$100.00. A \$15.00 special handling fee is applicable for processing documents delivered in person (drop off) to the Sacramento office or the Los Angeles regional office. The special handling fee is in addition to the filing fee, should be included in a separate check, and will be retained whether the document is filed or rejected. The preclearance and/or expedited filing of a document *within a guaranteed time frame* can be requested for an additional fee in lieu of the special handling fee. Please refer to our website at [www.sos.ca.gov/business/be/service-options.htm](http://www.sos.ca.gov/business/be/service-options.htm) for detailed information regarding preclearance and expedited filing services. The special handling fee or preclearance and expedited filings services are not applicable to documents submitted by mail.

## Fees (continued)

Payments for documents submitted:

- by mail to the Sacramento office can be made by check or money order.
- in person (drop off) at the Sacramento office can be made by check, money order, cash, or credit card (Visa or MasterCard).
- in person (drop off) at the Los Angeles regional office can be made by check, money order, or credit card (Visa or MasterCard). The Los Angeles regional office is not able to accept cash.

Checks or money orders should be made payable to the Secretary of State.

## Copies

The Secretary of State will certify up to two copies of the filed document without charge, provided that the complete copies with any attachments are submitted to the Secretary of State with the document to be filed. Any additional copies submitted will be certified with payment of \$8.00 per copy.

## Franchise Tax Requirements

A consumer cooperative corporation is a taxable entity and subject each year to an **\$800** minimum California franchise tax **unless** the corporation has applied for tax-exempt status and the Franchise Tax Board (FTB) determines the corporation qualifies for tax-exempt status. Therefore, until such a determination is made, the corporation must file a return and pay the associated tax every year until the corporation is formally dissolved.

**After** filing its Articles of Incorporation with the Secretary of State, a consumer cooperative corporation *providing for memberships* may apply for tax-exempt status in California by mailing an Exemption Application (FTB Form 3500), along with an endorsed copy of the Articles of Incorporation and all other required supporting documentation, to the Franchise Tax Board, P.O. Box 942857, Sacramento, California 94257-4041. Form 3500 can be accessed from FTB's website at [www.ftb.ca.gov](http://www.ftb.ca.gov) or can be requested by calling FTB at (800) 338-0505. For further information regarding franchise tax exemption, refer to FTB's website or call FTB at (916) 845-4171. Questions regarding franchise tax requirements must be directed to FTB.

## Additional Resources

All corporations are subject to state and federal tax laws and may be subject to additional requirements depending on the type of corporation and/or the type of business conducted. Please refer to our website at [www.sos.ca.gov/business/be/resources.htm](http://www.sos.ca.gov/business/be/resources.htm) for a list of other agencies you may need to contact to ensure proper compliance. Note: The Secretary of State does not license corporations. For licensing requirements, please contact the city and/or county where the principal place of business is located and/or the state agency with jurisdiction over the activities of the corporation.

Name restrictions apply to most business entities. Please refer to our website at [www.sos.ca.gov/business/be/name-availability.htm](http://www.sos.ca.gov/business/be/name-availability.htm) for business entity name regulations and the most common statutory requirements and restrictions relating to the adoption of a business entity name in California.

## Statement of Information

A Statement of Information (Form SI-100) is required to be filed with the Secretary of State **within 90 days after filing the Articles of Incorporation and annually thereafter** during the applicable filing period. The applicable filing period is the calendar month during which the initial Articles of Incorporation were filed and the immediately preceding five calendar months. (California Corporations Code section [12570](#).) The required statement can be filed online at <https://businessfilings.sos.ca.gov/>. Alternatively, Form SI-100 is available on our website at [www.sos.ca.gov/business/be/statements.htm](http://www.sos.ca.gov/business/be/statements.htm) and can be viewed, filled in and printed from your computer for mail or drop off submission.